



NORTHWEST FIRE DISTRICT

Our Mission is to Save Lives, Protect Property, and Care for Our Community

PHONE: (520) 887-1010 FAX: (520) 887-1034 NorthwestFire.org



Fire District Governing Board Regular Meeting Minutes October 26, 2021

1. Call to Order/Roll Call/Affirmation of Quorum

Present: George Carter, Chairman
David Talas, Board Member
Peg Green, Clerk
Cyndell Chanek, Board Member

Absent: Bruce A. Kaplan, Vice Chair

2. Salute to the Flag of the United States of America

Chairman Carter lead the Pledge of Allegiance to the flag.

3. Presentation of Service Awards

Chief Bradley announced the promotion of the following Captains and administered the loyalty oath:

CJ Higgins
Ryan McQuown
Shane Medlen
Jeremy Shiba
Matthew Storms

4. Public Forum

No members of the public requested to speak.

5. Consent Agenda

Approval of Consent Agenda

MOVE TO APPROVE ITEMS A-E ON THE OCTOBER 2021, CONSENT AGENDA AS PRESENTED

Motioned by Chairman George Carter, seconded by Clerk Peg Green

Vote: 4 - 0 - Unanimously

A. Approval of the Minutes of the September 28, 2021, Regular Governing Board Meeting

Motioned by Chairman George Carter, seconded by Clerk Peg Green

Vote: 4 - 0 - Unanimously

- B. Adoption of Resolution No. 2021-040 Ordering the Mandarin Holdings LLC Annexation, Pursuant to A.R.S. Section 48-262(I); the Annexation Area is Located North of Tangerine Road and East of Interstate 10 and Includes 12 Parcels that Stretch to the North and East, in Marana, Pima County, Arizona. The Parcels are Identified by the Pima County Parcel Numbers 218-49-001F, 217-55-011D, 217-55-011H, 217-55-011F, 217-55-011G, 218-49-002D, 218-49-001E, 218-49-002G, 218-49-002J, 218-49-002H, 218-49-002K, and 218-49-0130

Motioned by Chairman George Carter, seconded by Clerk Peg Green

Vote: 4 - 0 - Unanimously

- C. Approval of the Military Leave Policy for Employees of the District

Motioned by Chairman George Carter, seconded by Clerk Peg Green

Vote: 4 - 0 - Unanimously

- D. Approval to Sell Tender (Shop 984) for \$13,000, Ambulance (Shop 025) and Ambulance (Shop 026) for \$10,000 Each for a total of \$33,000 to Nogales Fire Department

Motioned by Chairman George Carter, seconded by Clerk Peg Green

Vote: 4 - 0 - Unanimously

- E. Approval of Ninyo & Moore Request for Additional Services - Change Order #2, for Inspection and Materials Testing on the Administration Complex Construction Project

Motioned by Chairman George Carter, seconded by Clerk Peg Green

Vote: 4 - 0 - Unanimously

6. **Fire Chief's Report**

Chief Bradley stated that reports were included in the packet. Staff was available to answer questions. There were no questions.

- A. Fire Chief's Board Report
- B. Essential Services Board Report
- C. Operational Services Board Report
- D. Human Resource Services Board Report
- E. Administration Services Board Report
- F. Technical Services Board Report

7. **Financial Reports**

- A. Finance Reports

Kim Sotomayor, Business Services Director, presented reports through month ending September 30, 2021, three months into the fiscal year. She reported that General Fund expenses through September were \$7.6 million compared to \$7.3 million the previous year. General Fund revenue was \$3.8 million with \$3.1 million of that amount generated from property taxes. She stated that 8.3% of total budgeted collections were received at September 30, compared to 7.6% the previous year. Ambulance revenue was \$676,000; with 50% of that revenue being for services performed prior to July 1, 2021. Sotomayor reported that all capital projects were underway. She stated that all fund balances were positive and that the audit was concluding. Final audit results will be presented at the December Governing Board meeting. Sotomayor made herself available for questions. There were no questions.

MOVE TO APPROVE THE DISTRICT'S SEPTEMBER 2021 DISBURSEMENTS REPORT AS PRESENTED

Motioned by Chairman George Carter, seconded by Board Member David Talas

Vote: 4 - 0 - Unanimously

8. Business

A. Discussion and Possible Action Approving All District Employee Group Insurance Benefits for Plan Year 2022 as Recommended by the District's Leadership Team

Kim Sotomayor, Business Services Director, presented the group insurance renewal quotes. She explained that the renewal quotes had been presented to, and discussed with, the Leadership Team and presented their subsequent recommendations.

Sotomayor reported that there were approximately 260 active employees currently on the health plan. She explained that there were three primary components to the costs associated with self-insurance: administrative fees (fixed cost), re-insurance premiums (fixed cost), and actual claims (variable cost). In prior years, quotes were presented without accounting for differences in variable costs. The quotes were presented as submitted by the carriers and Benefit Commerce Group (BCG), as well as with variable costs standardized to create an apples-to-apples comparison. Sotomayor directed attention to the quotes submitted from Cigna, United Health Care, Blue Cross Blue Shield, Kairos, and United Arizona Fire Fighters Health Care Trust that were included in the agenda packet.

Sotomayor explained that all quotes for retiree insurance, which is fully funded by the retirees themselves, resulted in an increase in premium cost. She explained that United Health Care quoted a fully insured plan. She further explained that the out-of-pocket maximum for the United Health Care Plan matches the deductible amount and prescriptions are covered 100% after the deductible is met, which was a richer benefit than the current coverage through Cigna. She emphasized that carriers would not take the retiree piece of business without the active population piece of business. Sotomayor summarized the recommendations of the Leadership Team detailed in the packet. Moving to United Health Care for medical coverage would save the District approximately \$151,000 and bundling dental coverage would save an additional \$11,573. The Team recommended remaining with VSP for vision coverage due to a rate guarantee in effect. They recommended The Standard for group life and short-term disability coverage. She explained that even with the quoted increase in short-term disability coverage the rate was still lower than the District paid in 2019. She further explained that several carriers declined to quote short-term disability coverage because the rate offered by The Standard was far below the market rate. The Leadership Team recommended Curalinc for employee assistance program (EAP) coverage. United Health Care offered a \$20,000 credit toward a third-party EAP provider, which will result in a savings of approximately \$11,000. The Leadership Team recommended renewing one of the Employer paid AD&D policies, resulting in a savings of approximately \$10,000. Sotomayor reported that based on the recommendations of the Leadership Team, the total savings to the District would be \$161,462.86. She made herself and staff available for questions.

Board Member Talas stated that there was a lot of information provided and noted that this was the time of year to be sure the organization is educated on why we make these decisions. He liked the "apples-to-apples" comparison. He thanked Heather Robey and Kim Sotomayor for their hard work. Chief Bradley echoed these comments and stated that it had been the best, most transparent, and easily understood benefits renewal of his career. He thanked Robey and Sotomayor for a Herculean effort. He acknowledged the retiree healthcare cost increases and noted that the hope is that the out-of-pocket maximum decrease and prescription costs at zero after meeting the deductible would help offset the increase. He explained that costs are predicated on experience and noted that prescription utilization was high.

Board member Talas asked if there were more forecasted medical service requests due to COVID. Sotomayor replied that she hoped it would slow down but was not able to say for sure at this time. Chief Bradley went on to explain other models in the area including one district that employs a full-time Nurse Practitioner for active and retired employees on the District health plan. He explained that the District could do something similar with the potential savings.

Chairman Carter thanked Robey and Sotomayor for their hard work, stating it was the best and most transparent example he had seen. He asked about the retiree cost savings and deductibles. Bradley stated that there was not a savings, but rather a neutral impact at best. Sotomayor explained that ASRS and PSPRS rates were comparable to the renewal rates for retirees but with less rich coverage.

Board Clerk Green asked if retirees have the option to leave and insure elsewhere. Sotomayor replied in the affirmative. Chief Bradley explained that retirees must come off the District plan once they are eligible for Medicare. Clerk Green asked if they have other options. Sotomayor confirmed that they do, such as ASRS or PRPRS. Board Member Chanek remarked that despite the increase, the savings in

pharmacy was amazing, and she was a fan of the program.

MOVE TO APPROVE ALL DISTRICT EMPLOYEE GROUP INSURANCE BENEFITS FOR PLAN YEAR 2022 AS RECOMMENDED BY THE DISTRICT'S LEADERSHIP TEAM, TO BE EFFECTIVE JANUARY 1, 2022

Motioned by Chairman George Carter, seconded by Board Member David Talas

Vote: 4 - 0 - Unanimously

9. **Future Agenda Items**

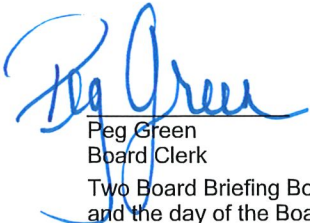
Board Clerk Green asked if there was any update on the COVID booster shot. Chief Bradley said that he had no information at this time but could investigate it.

10. **Adjournment**

MOVE TO ADJOURN THE MEETING AT 6:31 P.M.

Motioned by Chairman George Carter, seconded by Clerk Peg Green

Vote: 4 - 0 - Unanimously



Peg Green
Board Clerk

Two Board Briefing Books containing material related to the Board Meeting are available for public review the day before and the day of the Board Meeting during office hours at the Administration/Prevention and Safety Office located at 5225 W. Massingale Road, Tucson, Arizona 85743 – (520) 887-1010. The two Board Briefing Books are also available for public review at the Board Meetings.

The Northwest Fire District Board may vote to go into Executive Session on any agenda item pursuant to ARS §38-431.03 (A)(3) for discussion and consultation for legal advice with the Fire District Attorney on the matter(s) as set forth in the agenda item. Pursuant to Board Policy, from time to time, it might be necessary for a Board Member to attend a Board meeting via speakerphone.

The Northwest Fire District Training Facility is accessible to persons with disabilities. In compliance with the Americans with Disabilities Act (ADA), those persons with special needs, such as large-type face print or other reasonable accommodations, may request those through Heather Robey, by calling 887- 1010, ext. 2929, before the meeting.

Posted 11-10-21